

PSC NEWSMissouri Public Service Commission

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PSC APPROVES TERRITORIAL AGREEMENT

Jefferson City (October 1, 2004)---The Missouri Public Service Commission has approved a territorial agreement between Aquila, Inc. d/b/a Aquila Networks-MPS and Osage Valley Electric Cooperative. The agreement will designate the service areas of each supplier in a portion of Cass County near Peculiar, Missouri.

The Joint Applicants stated in the application that the establishment of exclusive service territories will prevent future duplication of electric service facilities, address the special circumstances of customers located therein and will also allow electric service customers within the area to know with certainty the supplier of their electric service.

The Joint Applicants further noted that the proposed territorial agreement will not require the transfer of any facilities or customers between Aquila, Inc. d/b/a Aquila Networks-MPS and Osage Valley Electric Cooperative.

The Commission's order states: "The Commission finds that approval of the territorial agreement signed by Aquila Networks-MPS and Osage Valley would avoid future duplication of facilities. The Commission finds that Aquila Networks-MPS and Osage Valley are capable of adequately and safely providing the electric power supply, service, and maintenance needs of the customers in their service areas as designated in the proposed territorial agreement. The Commission further finds that the overall effect of the proposed territorial agreement would not be harmful to ratepayers, and that the agreement would promote efficiency."